



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

DEC 16 2014

REPLY TO THE ATTENTION OF:
SC-5J

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The International Paper Company
David B. Struhs
Vice President of Environmental Affairs
6400 Poplar Avenue
Memphis, Tennessee 38197

Re: Allied Paper Inc./Portage Creek/Kalamazoo River Site; Demand Letter related to the Time Critical Removal Action at Portage Creek in Kalamazoo, MI

Dear Mr. Struhs:

The U.S. Environmental Protection Agency conducted a response action to address contamination at the Allied Paper Inc./Portage Creek/Kalamazoo River Site in Allegan and Kalamazoo Counties, Michigan ("Site"). EPA took these actions under authority of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (CERCLA), 42 U.S.C. §§ 9601-9675. Prior to undertaking these response actions, EPA determined that there was a release or threatened release of hazardous substances from the Site.

In a letter dated April 18, 2011, EPA provided The International Paper Company (IP) with notice of the response action and invited IP to conduct the necessary clean-up work. In a letter dated May 2, 2011, IP declined to perform that work. Consequently, EPA used monies authorized by CERCLA and undertook a time critical removal action that included:

- Excavation and/or dredging of submerged sediments, river banks and floodplain soils in accordance with the performance standards and at the locations specified in the Action Memorandum and the Work Plan;
- Cut-back and stabilization of river banks;
- Disposal of all PCB contaminated material;
- Re-vegetation of excavated floodplain areas; and

- Monitoring during the implementation of the Work

EPA has incurred approximately \$19,224,919 in response costs associated with this removal action.

As explained in EPA's November 24, 2010 general notice letter sent to you, the information available to EPA indicates, among other things, that IP is potentially responsible for the release, or threat of release, of hazardous substances from the Site as a previous owner and/or operator of the Site—IP is a corporate successor to St. Regis Paper Company which owned and operated a paper mill that disposed of PCBs and PCB-containing material at the Site. As such, EPA believes that you are liable for the payment of all costs incurred by EPA in connection with the Site, including, for purposes of this letter, the time critical removal action described above.

Payment must be made by a cashier's or certified check made payable to the "U.S. EPA Hazardous Substance Superfund", which is established by the Internal Revenue Code, 26 U.S.C. § 9507, and administered by EPA. Partial payments will not release the payor of liability for payment of the rest of the costs that are owed to EPA. Limiting language on the check or in accompanying letters will be considered to be advisory only and will not be considered as placing conditions on the amount paid or as limiting liability on other costs demanded in this letter.

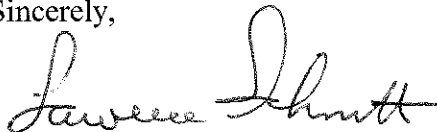
Please send your check to U.S. EPA, Superfund Payments, Cincinnati Finance Center, P.O. Box 979076, St. Louis, Missouri, 63197-9000. Place the following Site Identification Number on the check: **(SSID # 05 9B)**. Please send a copy of your payment check to Thomas Marks, Chief, Enforcement Services Section 1 (SE-5J), U.S. EPA, Region 5, Superfund Division, 77 West Jackson Boulevard, Chicago, Illinois 60604, and to the Office of Regional Counsel (C-14J), U.S. EPA, Region 5, 77 West Jackson Boulevard, Chicago, Illinois, 60604.

We hereby demand that you make restitution by payment of \$19,224,919. Pursuant to Section 107(a) of CERCLA, as amended, interest shall begin accruing as of the date of this demand, if payment is not received within thirty (30) calendar days of the date of this letter.

If you desire to discuss your liability with EPA, please contact Nicole Wood-Chi, Associate Regional Counsel, in writing no later than thirty (30) calendar days after the date of this letter. She may also be reached by phone at 312-886-0664. If we do not receive a response from you within this time frame, EPA will assume that you have declined to reimburse the Fund for the expenditures related to the Portage Creek time critical removal action, and pursuant to

CERCLA, EPA may pursue civil litigation against you to recover all of its costs, with interest.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lawrence Schmitt".

Lawrence Schmitt, Acting Chief
Enforcement and Compliance Assurance Branch

Enclosure

Cc: John F. Cermak, Jr. w/ Enclosures
12100 Wilshire Blvd.
15th Floor
Los Angeles, CA 90025-7120
jcermak@bakerlaw.com

Itemized Cost Summary

ALLIED PAPER, KALAMAZOO, MI SITE ID = 05 9B

Operable Unit(s): 05

Costs From April 1, 2011 to July 1, 2014

Rates as of October 14, 2014

REGIONAL PAYROLL COSTS	\$819,675.62
REGIONAL TRAVEL COSTS	\$89,432.11
ENVIRONMENTAL RAPID RESPONSE SERVICES (ERRS)	
ENVIRONMENTAL QUALITY MANAGEMENT, INC. (EPS50802)	\$10,668,639.11
INTERAGENCY AGREEMENT (IAG)	
DEPARTMENT OF ENERGY (DW89923106)	\$22,666.10
SUPERFUND TECH. ASSISTANCE & RESPONSE TEAM (START)	
WESTON SOLUTIONS, INC. (EPS50604)	\$625,170.86
MISCELLANEOUS COSTS (MIS)	\$2,844.86
EPA INDIRECT COSTS	\$6,996,490.75
Total Site Costs:	<u><u>\$19,224,919.41</u></u>

bcc: **(Attorney)**, ORC (C-14J)
(OSC) (SE-5J) (SE-GI) (ME-W) (G-41)
Carol Ropski, ESS 1 (SE-5J)
(Enforcement Specialist), ESS 1 (SE-5J)
(State Contact)
Richard Hackley, PAAS (MF-10J)
Records Center (SRC-7J)

Lori Weidner
U.S. EPA
Cincinnati Finance Center, NWD
26 West Martin Luther King Drive
Cincinnati, OH 45268-0001